

February 19, 2010

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VIA E-MAIL NO HARD COPY TO FOLLOW

Ms. Lori Houck Cora
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region 10, ORC-158
1200 Sixth Avenue
Seattle, WA 98101

Re: Portland Harbor Superfund Site, Portland, Oregon; Linnton Plywood Association
Settlement Offer
FRE 408 CONFIDENTIAL SETTLEMENT COMMUNICATION

Dear Lori:

Thank you for your letter of February 9, 2010, responding to Linnton Plywood Association's ("LPA") October 30, 2009, settlement offer. LPA is seriously considering EPA's counteroffer, but circumstances preclude our being able to respond within the 30 day period you request. We request a reasonable (additional) 30 day extension.

This extension will notify and hopefully receive a response from LPA's insurer. As I am sure you know from prior experience, getting insurance companies to respond quickly when they are being asked to pay substantial sums of money is difficult at best. In LPA's case the situation is compounded by the fact that there has been a change in the personnel handling the file at the carrier's offices. LPA needs this extension to obtain the necessary approvals from the insurer before proceeding. The extended time period will also allow us the time needed to complete our response to your information requests. We have already initiated this process.

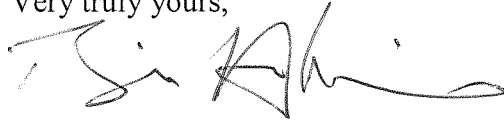
In your letter you refer to LPA's prospective sale transaction with BP Arco. This confirms our advice to you that this transaction has been terminated by BP because of LPA's inability to resolve EPA's CERCLA claims within the time period and on the terms specified by BP. The prospects of finding a new buyer anytime soon are remote, especially in light of present economic conditions. This leaves the only realistic current source for payment, of any settlement, the insurance policy proceeds, which we have described to you in our previous correspondence.

I (and Paul Burnet) look forward to meeting with you and Kristine from 9:00 a.m. to 11:00 a.m. in your offices on Thursday, February 25th.

Ms. Lori Houck Cora
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If you have any questions, please do not hesitate to contact me. Please confirm that EPA will grant this request for an extension of time.

Very truly yours,

A handwritten signature in black ink, appearing to read "W. P. Hutchison", written in a cursive style.

William P. Hutchison

WPH/dod
cc: Kristine Koch